

AMENDMENT TO H.R. 4205, AS REPORTED
OFFERED BY MR. HALL OF OHIO
OR MR. HOBSON OF OHIO

At the end of title XI (page 334, after line 17), insert the following new section:

1 **SEC. 11____. TEMPORARY AUTHORITY REGARDING VOL-**
2 **UNTARY SEPARATION INCENTIVES AND**
3 **EARLY RETIREMENT FOR EMPLOYEES OF**
4 **THE DEPARTMENT OF THE AIR FORCE.**

5 (a) SEPARATION PAY.—Section 5597 of title 5,
6 United States Code, is amended by adding at the end the
7 following new subsection:

8 “(i)(1) In this subsection:

9 “(A) the term ‘agency’ means the Department
10 of the Air Force;

11 “(B) the term ‘employee’ means an employee
12 (as defined by section 2105) who is employed by the
13 agency, is serving under an appointment without
14 time limitation, and has been currently employed for
15 a continuous period of at least 3 years, but does not
16 include—

17 “(i) a reemployed annuitant under sub-
18 chapter III of chapter 83 or chapter 84, or an-



1 other retirement system for employees of the
2 agency;

3 “(ii) an employee having a disability on the
4 basis of which such employee is or would be eli-
5 gible for disability retirement under subchapter
6 III of chapter 83 or chapter 84, or another re-
7 tirement system for employees of the agency;

8 “(iii) an employee who is in receipt of a
9 specific notice of involuntary separation for mis-
10 conduct or unacceptable performance;

11 “(iv) an employee who has previously re-
12 ceived any voluntary separation incentive pay-
13 ment by the Federal Government under this
14 section or any other authority and has not re-
15 paid such payment;

16 “(v) an employee covered by statutory re-
17 employment rights who is on transfer to an-
18 other organization; or

19 “(vi) any employee who, during the 24-
20 month period preceding the date of separation,
21 has received a recruitment or relocation bonus
22 under section 5753 or who, within the 12-
23 month period preceding the date of separation,
24 received a retention allowance under section
25 5754.



1 “(2)(A) A voluntary separation incentive payment
2 may be paid under this section by the agency to any em-
3 ployee to maintain continuity of skills among the agency’s
4 employees or to adapt the skills of the agency’s workforce
5 to the emerging technologies critical to the agency’s needs
6 and goals.

7 “(B) A voluntary separation incentive payment under
8 this subsection—

9 “(i) shall be paid in a lump sum after the em-
10 ployee’s separation;

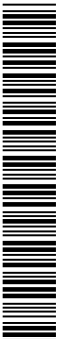
11 “(ii) shall be paid from appropriations or funds
12 available for the payment of the basic pay of the em-
13 ployees;

14 “(iii) shall be equal to the lesser of—

15 “(I) an amount equal to the amount the
16 employee would be entitled to receive under sec-
17 tion 5595(c); or

18 “(II) an amount determined by the agency
19 head not to exceed \$25,000;

20 “(iv) may not be made except in the case of any
21 qualifying employee who voluntarily separates
22 (whether by retirement or resignation) before De-
23 cember 31, 2003;



1 “(v) shall not be a basis for payment, and shall
2 not be included in the computation, of any other
3 type of Government benefit; and

4 “(vi) shall not be taken into account in deter-
5 mining the amount of any severance pay to which
6 the employee may be entitled under section 5595
7 based on any other separation.

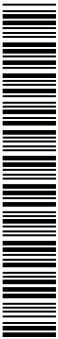
8 “(3)(A) The head of the agency, prior to obligating
9 any resources for voluntary separation incentive payments
10 under this subsection, shall submit to the House and Sen-
11 ate Committees on Armed Services and the Committee on
12 Governmental Affairs of the Senate and the Committee
13 on Government Reform of the House of Representatives
14 a strategic plan outlining the intended use of such incen-
15 tive payments and a proposed organizational chart for the
16 agency once such incentive payments have been completed.

17 “(B) The agency’s plan shall include—

18 “(i) any positions and functions to be reduced
19 or eliminated, identified by organizational unit, geo-
20 graphic location, occupational category and grade
21 level;

22 “(ii) the number and amounts of voluntary sep-
23 aration incentive payments to be offered;

24 “(iii) the steps to be taken to maintain con-
25 tinuity of skills among the agency’s employees or to



1 adapt the skills of the agency's workforce to the
2 emerging technologies critical to the agency's needs
3 and goals; and

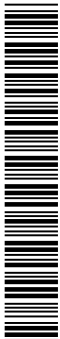
4 “(iv) a description of how the agency will oper-
5 ate without the eliminated positions and functions.

6 “(4) In addition to any other payments which it is
7 required to make under subchapter III of chapter 83 the
8 agency shall remit to the Office of Personnel Management
9 for deposit in the Treasury of the United States to the
10 credit of the Civil Service Retirement and Disability Fund
11 an amount equal to be determined in accordance with
12 paragraph (5).

13 “(5)(A) The amount remitted to the Treasury shall
14 be the sum determined as follows. First, apply the fol-
15 lowing percentages to the final basic pay of each employee
16 who is covered under subchapter III of chapter 83 or
17 chapter 84 to whom a voluntary separation incentive has
18 been paid under this section and who retires on an early
19 retirement or an immediate annuity:

20 “(i) 19 percent in the case of an employee cov-
21 ered under subchapter III of chapter 83 who takes
22 an early retirement; or

23 “(ii) 58 percent in the case of an employee cov-
24 ered under subchapter III of chapter 83 who takes
25 an immediate annuity.



1 “(B) Second, the sum of the amounts determined
2 under clauses (i) and (ii) of subparagraph (A) shall be
3 reduced, but not below zero, by the sum determined by
4 applying the following percentages to the final basic pay
5 of each employee who is covered under chapter 84 to
6 whom a voluntary separation incentive has been paid
7 under this section and who resigns or retires on an early
8 retirement or immediate annuity, or an employee covered
9 under subchapter III of chapter 83 to whom a voluntary
10 separation incentive has been paid under this section and
11 who resigns:

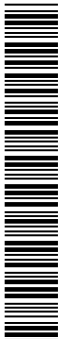
12 “(i) 419 percent in the case of an employee cov-
13 ered under subchapter III of chapter 83 who re-
14 signs;

15 “(ii) 17 percent in the case of an employee cov-
16 ered under chapter 84 who takes an early retire-
17 ment;

18 “(iii) 8 percent in the case of an employee cov-
19 ered under chapter 84 who retires on an immediate
20 annuity; and

21 “(iv) 211 percent in the case of an employee
22 covered under chapter 84 who resigns.

23 “(6) Under regulations prescribed by the Office of
24 Personnel Management, the agency may elect to make the
25 remittances required under paragraph (4) in installments

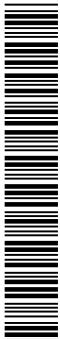


1 over a period not to exceed 3 years. In such case, the per-
2 centages to be applied under paragraph (5) shall be those
3 determined by the Office as are necessary to equalize the
4 net present value of retirement benefits payable to employ-
5 ees who retire or resign with a separation incentive under
6 this subsection and the net present value of retirement
7 benefits those employees would have received if they had
8 continued to work and then retired or resigned at the
9 standard rates observed for the workforce.”.

10 (b) RETIREMENT UNDER CIVIL SERVICE RETIRE-
11 MENT SYSTEM.—Section 8336 of such title is amended
12 by adding at the end the following new subsection:

13 “(o)(1) An employee of the Department of the Air
14 Force who is separated from the service voluntarily as a
15 result of a determination described in paragraph (2) after
16 completing 25 years of service or after becoming 50 years
17 of age and completing 20 years of service is entitled to
18 an annuity.

19 “(2) A determination under this paragraph is a deter-
20 mination by the Secretary of the Air Force that the sepa-
21 ration described in paragraph (1) is necessary for the pur-
22 pose of maintaining continuity of skills among employees
23 of the Department of the Air Force and adapting the skills
24 of the workforce of the Department to emerging tech-



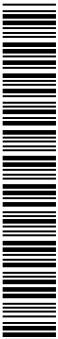
1 nologies critical to the needs and goals of the Depart-
2 ment.”.

3 (c) RETIREMENT UNDER FEDERAL EMPLOYEES’ RE-
4 TIREMENT SYSTEM.—Section 8414 of such title is amend-
5 ed by adding at the end the following new subsection:

6 “(d)(1) An employee of the Department of the Air
7 Force who is separated from the service voluntarily as a
8 result of a determination described in paragraph (2) after
9 completing 25 years of service or after becoming 50 years
10 of age and completing 20 years of service is entitled to
11 an annuity.

12 “(2) A determination under this paragraph is a deter-
13 mination by the Secretary of the Air Force that the sepa-
14 ration described in paragraph (1) is necessary for the pur-
15 pose of maintaining continuity of skills among employees
16 of the Department of the Air Force and adapting the skills
17 of the workforce of the Department to emerging tech-
18 nologies critical to the needs and goals of the Depart-
19 ment.”.

20 (d) Reports.—The Secretary of the Air Force shall
21 submit annual reports to the House and Senate Commit-
22 tees on Armed Services and the Committee on Govern-
23 mental Affairs of the Senate and the Committee on Gov-
24 ernment Reform of the House of Representatives describ-
25 ing the use of the authority provided in the amendments



1 made by this section and the bases for using such author-
2 ity with respect to the employees chosen.

3 (e) LIMITATION OF APPLICABILITY.—The authority
4 to provide separation pay and retirement benefits under
5 the amendments made by this section—

6 (1) may be exercised with respect to not more
7 than 1000 civilian employees of the Department of
8 the Air Force during each calendar year; and

9 (2) shall expire on December 31, 2003.

